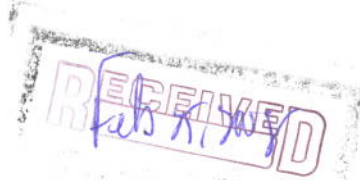


cc: Amer
Kate
Rosemary



P.O. Box 7150, Nakuru, Kenya
Timbermill Rd. 20110
Tel: 254-51-2211046
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C/o. Resource Conflict Institute
RECONCILE

Fax

To: Meg Taylor -CAO

From: Anastasia Otieno

Fax: 1202 522 7400

Date: 22.01.2008

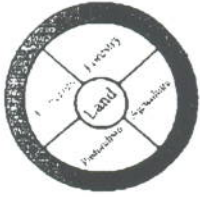
Phone:

Pages: 3

Re: Complaint regarding Pan African Paper Mills, Webuye, Kenya

Urgent For Review Please Acknowledge Please Reply

COMMENTS



RECONCILE

Resource Conflict Institute

Nakuru January 21, 2008

Compliance Advisor/Ombudsman
International Finance Corporation
2121 Pennsylvania Avenue, NW
Washington, DC 20433
USA

Fax: 202 522-7400
Email:

Dear Sir,

Complaint regarding Pan African Paper Mills, Webuye, Kenya

We, Resource Conflict Institute (RECONCILE), an environmental NGO registered in Kenya under the NGOs Coordination Act do hereby lodge a complaint concerning the Pan African Paper Mills project located in Webuye Kenya.

This complaint is made on behalf and with the authority of the residents of Webuye town and members of the Centre for Environmental and Development Education Programmes (CEDEP) also based in the same town. Our contact details are indicated elsewhere on this page.

The basis of the complaint is as follows:

1. The project against which this complaint is filed is the Pan African Paper Mills, an integrated pulp and paper mill that has operated in Webuye town since 1974.
2. The International Finance Corporation (IFC) is involved with the company as a financier.
3. The project sponsors are Orient Paper & Industries Limited, part of the Birla Group, the Indian conglomerate and the Government of Kenya.
4. The residents of Webuye have been, and continue to be affected by social and environmental impacts of the project in the following way(s):
 - a. The periodic release of foul smell into the air. *(pollution)*
 - b. The release of untreated effluent directly into River Nzoia, which is the principal source of water used for domestic purposes by the local residents. *(Pollution)*

- c. As a result of the foregoing, the residents have suffered and continue to suffer the following impacts:
- i. health impacts include constant irritation of the eyes and respiratory tracts, dry mouths and scratchy throats, gross accumulation of fluid in air spaces impairing the functioning of the lungs, cancer of the lung and throat, asthma, bronchitis, bronchial pneumonia, conjunctivitis, hepatitis, dermatitis, tuberculosis, impotence and infertility, babies born with stunted reproductive organs, retarded intelligence among children, and high levels of respiratory diseases, including chronic coughing.
 - ii. Environmental impacts include the foul irritating smell that pervades the town at periodic intervals, leaves and crops turned rusty and dry, reduced productivity of the land, poor health and productivity among livestock, loss of fisheries in River Nzoia and its tributaries, and contravention of the right to a clean and healthy environment.
 - iii. Social impacts include destruction of iron roofs and walls of houses, increased cost of maintenance of houses, increased costs of living occasioned by constant poor health among children and adults, high levels of school dropouts, increased food and livelihoods insecurity, and poor hygiene and sanitation.
 - iv. Economic impacts are associated with the high costs of managing the human and environmental impacts of the pollution and business and investment losses as investors are discouraged from locating in the area by reason of the poor environmental quality.
5. RECONCILE and the residents have taken steps to try and resolve the problem including appeals to the company, the National Environment Management Authority (NEMA) and other environmental enforcement agencies as well as local government and political leaders to address these concerns. RECONCILE has undertaken environmental rights training to create awareness among community members and empower them to advocate for compliance with environmental laws and regulations. It has also facilitated training for local residents and environmental groups on techniques of environmental advocacy, including the use of bucket technology developed by Global Community Monitor (GCM) for community monitoring of air and water pollution levels.
6. RECONCILE has been in communication with Carmen Powell, Communications Officer, Global Manufacturing and Services Department as well as Meg Taylor and Emily Hogan, Vice President, Compliance Advisor/Ombudsman and Communications Consultant respectively, at IFC.
7. RECONCILE has also worked closely with other human rights and environmental NGOs in Kenya interested in addressing the pollution caused

by Panpaper; among them the Kenya Land Alliance, the Kenya Human Rights Commission, the Kenya National Commission on Human Rights, the Institute for Law and Environmental Governance, and the Federation of Women Lawyers (FIDA).

8. The project has not complied with the IFC Policy on Social and Environmental Sustainability, specifically:
 - i. Performance Standard 1 on Social and Environmental Assessment and Management Systems
 - ii. Performance Standard 3 on Pollution Prevention and Abatement,
 - iii. Performance Standard 4 on Community Health, Safety and Security
9. RECONCILE and the residents of Webuye town would like to see this complaint resolved in the following ways:
 - a. Institution of measures, including the installation of appropriate technologies to reduce pollution levels to those stipulated by WHO and EMCA
 - b. preparation in a participatory way and adoption of an Environmental Management Plan for Webuye that incorporates representation of the residents, the factory, local government, NEMA and other environmental enforcement agencies to monitor enforcement and compliance in the area and provide a forum for ongoing consultations among the key stakeholders
 - c. taking of steps to compensate residents whose property and health have been adversely impacted upon by the pollution from the factory.
10. We attach herewith copies of relevant documents.

Yours Sincerely,


Anastacia Otieno
Programme Officer